



MEMBERS UPDATE

————— FEBRUARY 2025 —————

Welcome to the February 2025 member's update

In this month's members update we look at:

- Nurses Award Pay Rate changes from 1 March 2025
- Clerks Award Review by the FWC



Nurses Award Pay Rate changes from 1 March 2025

In addition to the changes for Nursing Assistants which took effect from 1 January 2025, the Fair Work Commission is also introducing changes to the Nurses Award 2020 for Registered and Enrolled Nurses, effective from the first full pay period commencing on or after 1 March 2025.

The minimum pay rates within the 'registered nurse – aged care employees' stream will be simplified by removing:

- annual progression through pay points for Levels 1, 2, and 3
- grades for Levels 4 and 5.

Increments will instead apply to employees classified as Registered Nurse – Aged Care Levels 1 and 2.

Newly qualified registered nurses working in aged care will begin at the same level. Previously, these employees started at different minimum pay rates depending on their qualifications.

Enrolled nurses working in aged care will now be paid a single, higher minimum pay rate, with the previous pay points removed. Enrolled nurses in aged care may also be required to supervise other direct care employees.

A new Schedule F will be added to the Award, which outlines the translation arrangements. This outlines what classification existing employees will be after the changes occur. Schedule F also maintains previous pay rates for employees if they were being paid a higher minimum rate on 28 February 2025.

You can find the FWC determination, which includes the new full table of classifications, [here](#).

You can also find the updated FWO Pay Guide, effective from the first full pay period commencing on or after 1 March 2025, [here](#).

Clerks Award Review by the FWC

The Fair Work Commission is currently conducting a review with a view to developing a Working From Home term in the Clerks - Private Sector Award 2020. This case will develop a working from home term that supports employers and employees making workable arrangements.

In a statement issued by the FWC, the following are the key questions being considered as part of the review:

1. Should the Clerks Award include a 'working from home' term?
2. How should 'working from home' be defined?
3. Should employees have the right to request working from home, and when can an employer refuse?
4. What changes to the Clerks Award might be needed to support working from home? What modifications, if any, would be required to be made to clauses dealing with:
 - a. The spread of ordinary hours
 - b. Continuous ordinary working hours
 - c. the requirement for ordinary work hours to be worked at the discretion of the employer
 - d. the maximum number of ordinary hours per day
 - e. breaks
 - f. allowances
5. How will overtime work with a 'working from home' term?
6. Should the 'working from home' term apply to all employees covered by the Clerks Award?
7. How does the 'working from home' term relate to the right to disconnect?
8. Are there other matters to consider for a 'working from home' term?

All interested parties are invited to participate in consultation on this matter and you can find further information [here](#).

We will continue to keep our members informed as this matter progresses.

Compliance

Do you ever get confused between the maximum super contribution base (\$65,070) and the employee concessional contribution cap (\$30,000)?

MSCB - This is the sum, indexed on 1 July each year, which is the maximum limit on an employee's earnings base for each quarter of a financial year. For 2024/25 the maximum superannuation contribution base is \$65,070 per quarter.

An employer does not have to pay the super guarantee for the part of earnings above this limit if they do not want to. This means that the maximum super guarantee amount an employer is required to contribute is the equivalent of 11.5% of \$65,070 per quarter, which works out to be a contribution of \$7,483.05 per quarter.

Concessional contribution cap - There is a limit to the amount an employee can contribute to super from their before-tax income in order to benefit from the concessional tax rate. The cap – which includes contributions made by the employer under the Super Guarantee and salary sacrifice contributions – is set at \$30,000 p.a. (2024/25).

If total concessional contributions exceed the cap, the employee may be required to pay a higher tax rate on the excess amount and they may have to pay an excess charge as well. This cap is a personal cap in regards to the employees super and tax, and is not an employer obligation.

FAQ

Q. An employee has resigned and has not yet returned their company property, including a laptop. Can we withhold their final pay until they return the property?

A. No. Employers are obligated to pay a terminating employees' full entitlements, including any outstanding salary and wages and leave owing, within the timeframes required by the applicable award or agreement. Intentionally withholding final pay entitlements could fall under the new criminalisation of wage theft legislation.

Q. An employee has resigned effective immediately and has failed to provide their required 4 weeks' notice period. Can we deduct the 4 weeks' notice from any entitlements remaining to be paid?

A. Some awards allow an employer to withhold a maximum of one week from an employees' final wages owing, if they fail to provide the appropriate notice on resignation. This can only be withheld from wages owing under the award, for example wages for work already performed but not yet paid. The one week notice cannot be withheld from other entitlements owing, such as leave. Check your award for the relevant terms.

If the employee is covered by a registered agreement which allows a deduction for a failure to provide notice, any notice period can only be deducted with the written consent of the employee at the time the deduction is being made.

Australian Payroll Summit - Melbourne March 2025

The Australian Payroll Summit is the premier event for payroll professionals in Australia, and this March we are bringing it to Melbourne on 28 March.

Payroll is an essential function of every business, but it's also constantly evolving. That's why we believe in the importance of continuous learning in the payroll industry.

Join Australian Payroll Association as we empower you to solve future challenges in collaboration with your peers, Industry leaders and technical experts.

<https://www.austpayroll.com.au/australian-payroll-summit/>

MEMBERS AREA



Our February webinar will be held on Wednesday 26th February at 1pm (Sydney time) where we will be discussing Understanding FBT for Payroll Professionals.